

Abstract of the Disclosure

A system and method for permitting gold or other commodities to circulate as currency requires a network of system users that participate in financial transactions where payment is made in units of gold. The gold is kept in secure storage at a deposit site for the benefit of the users. The payments in gold are effected through a computer system having data storage and transaction processing programs that credit or debit the units of account of gold held for the account of each system user. The system and method allows gold to circulate as an electronic payment through the global computer network (Internet) and/or private communication networks. The sum total of all circulating electronic gold (denominated in physical measures such as weights such as grams and/or ounces and fractions thereof) will equal the weight of all the gold held for safe-keeping at the storage site(s) for the users of the system.